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Short Break Holidays in Australasia – A Missed and/or Problematic Opportunity to Enhance Destination Loyalty?

Dr Steven Pike
Queensland University of Technology
Australia
E-mail: sd.pike@qut.edu.au

The dearth of published research about short break holidays in many parts of the world is incongruent with the growing popularity of this leisure activity. Short breaks have emerged as one of the fastest growing travel segments, and yet there has been almost no research published in Australasia to guide destination marketers. The paper presents a cross case analysis of two investigations of short break holidays in Australia and New Zealand. While short breaks represent a significant aspect of holiday behaviour for the two samples, respondents' comments indicate the tourism industry in Australia and New Zealand may be missing opportunities to better cater to this travel segment. From the demand perspective it is suggested short breaks have become a necessary psychological break from routine for the participants; and from the supply perspective a missed and/or problematic opportunity for destination marketing organisations (DMOs) to enhance destination loyalty. The paper focuses on future marketing communication implications for regional tourism organisations (RTOs).

1. Introduction

It was as recent as the 1990s that short break holidays were described in the tourism literature as a "new form of recreation" (see Fache, 1990). In the time since, there has been little research published in many parts of the world to guide destination marketers. For example, relatively few published market perceptions studies have focused on this travel context. The lack of research into travel context was one of the top 10 tourism research shortcomings proposed by Ritchie (1996). Indeed, only two of the 142 destination image papers published between 1973-2000, which were reviewed by Pike (2002a), indicated an interest in the short break context. Chon, Weaver and Kim (1991) investigated the image of Norfolk, Virginia as a 'mini-break' destination, while McClellan (1998) analysed perceptions of Cherbourg as a potential short break destination for French and English travellers.

The lack of published literature is particularly evident in the southern hemisphere. Most research to date has emanated from the UK and Europe (see for example Davies 1990, Edgar 1997, Downward & Lumsdon 2003). Few investigations in Australasia have been published in the academic literature, even though the term 'short break' appears to be firmly entrenched in the travel industry vernacular and has regularly been the topic of articles in trade publications such as *Traveltrade*, *Travelweek*, and *Traveltalk Asia-Pacific* (for example see Marshman 1995, Burns 1994, Speigal 1997), and in the popular press such as *The Australian*, *Age* and *Business Review Weekly* (see for example Tolhurst 1999, Sandilands 1997, McCabe 1998).

While there is no commonly accepted definition of a short break (Edgar, 2001), researchers have usually described the activity as a non-business trip away from the home environment of between one and either three or five nights away. The focus of this paper is an exploratory analysis of domestic short breaks taken by car in Australasia. It has been estimated 76 per cent of domestic travel in Australia involves private vehicles (BTR, 2002). BTR also found 70 per cent of domestic travel was within the home state, and that the mean trip duration for these intrastate travellers was three nights. Similarly, in New Zealand it has been estimated that about 80 per cent of domestic travel involves private vehicles (Forsythe Research, 2000).

2. Method

Two separate investigations were undertaken in New Zealand and Australia. The New Zealand study, initiated in 2000, was the first formal investigation of short break holidays in that country. The study explored the characteristics of domestic short breaks taken by car and examined market perceptions of a competitive set of destinations. A 165-item questionnaire was developed, following a review of 85 previous structured studies reported in the literature as well as personal interviews with consumers and tourism managers. The instrument was mailed to a systematic random sample of 3000 residents of Auckland, which is home to almost one third of New Zealand's population (Auckland Regional Council, 1999). While aspects of the structured questionnaire items have been published (see Pike, 2002b, 2002c, Pike & Ryan 2004), no formal analysis of respondents' qualitative comments has been reported. In this regard, the back page of the 12 page A4 size questionnaire booklet was left blank, and participants were invited to use this space if they had any further comments related to the study. A total of 763 completed questionnaires were received, representing a usable response rate of 26%. Of these, 182 participants (24%) used the opportunity to provide additional comments on the back page.

The Australian study was longitudinal but featured a similar design to the New Zealand survey. Distribution took place during 2003 at the time of the SARS outbreak and commencement of the War in Iraq. First, a 53-item questionnaire was mailed to a systematic random sample of 3000 Brisbane residents during March. This resulted in 523 completed questionnaires, representing a useable response rate of 19.1%, which was considered satisfactory given the longitudinal nature of re-

quested participation. The second stage involved an 89-item questionnaire mailed three months later to 486 of the stage one participants who agreed to be sent a second questionnaire. As with the New Zealand study, the back page of the first questionnaire was provided to participants to offer further comments. A total of 110 stage one participants provided additional comments (21%).

3. Results

The results of both studies indicated participants' familiarity with, and penchant for, the concept of short breaks. Key results are summarised in Table 1. The mean number of short breaks taken each year was 4 for the New Zealand sample and 3.2 for the Australian participants. The mean number of destinations elicited in participants' decision sets was approximately four in both studies. Maximum comfortable driving time to a short break destination was approximately four hours in both studies. On a 7 point scale, anchored at 'Definitely not' (1) and 'Definitely' (7), the mean intent to take a short break was 5.8 within the next year for New Zealand participants, and 5.2 within the next three months for Australian participants. In the Australian study 92% of participants indicated having previously visited the destination they had elicited as their preferred destination. This was considered their top of mind awareness (ToMA) destination.

A content analysis of the comments made by 292 participants of both the New Zealand and Australian studies was undertaken to identify key themes. A summary of the most frequently elicited themes is provided in Table 2, where it can be seen that the majority of comments related to issues of price, value, packages and accommodation.

	New Zealand	Australia
Mean number short breaks per year	4	3.2
Mean destination decision set size	3.9	3.8
Previously visitation to ToMA destination	n/a	92%
Maximum drive time (hours) to a short break destination	3.8	4
Participants who had taken a short break in the previous three months	n/a	61%
Mean intent to take a short break	5.8	5.2

Table 1 – Summary of Key Results

New Zealand Participants (n = 182)		Australian Participants (n = 110)	Total (N = 292)
Price/value/packages	25%	37%	30%
Accommodation issues	25%	32%	27%
Children	13%	23%	17%
Travel information	14%	16%	15%
Service/facility standards	12%	14%	12%
Food	13%	7%	11%

Table 2 – Summary of Key Themes Elicited

4. Discussion

This section discusses practical implications of the key results, in the context of the respondent comments, for regional tourism organisations (RTOs). At the time of writing, six presentations had been made to RTOs in New Zealand and two in Australia. From the similarity in the qualitative feedback from the two investigations, and an alignment of these with key quantitative results, it is suggested there may be implications for destinations in other parts of the world, in areas where near home drive tourism is a significant travel segment.

The level of short breaks per year indicated by participants clearly signals this as a valuable marketing opportunity for RTOs. While there has been little empirical investigation of the extent to which short breaks either replace or supplement the main holiday, the significance of short breaks in people's lives as a necessary psychological break from routine, was epitomised in comments such as:

Short breaks are the best way to retain sanity (New Zealand participant # 475).

As one engaged in the human service (education) profession it is necessary to take periodic breaks (Australian participant # 166).

Significantly however, at each of the RTO meetings, the data represented the first information on short break holidays. Further, none of the RTOs had been explicitly targeting this segment of the domestic market.

While the short break drive market represents a sizable market opportunity for those destinations within the maximum comfortable drive time of four hours, the number of destinations within this geographic boundary, in both studies, indicated participants were spoilt for choice:

Within a 2 hour drive from my home there are so many great places to go (beach, mountain etc) that I don't have a favourite (Australian participant # 69).

Aucklanders needing a short break holiday – we're so lucky. Where ever one centres their sojourn, there's always something picturesque or interesting close by - favourite places abound! (New Zealand participant # 169).

The issue of destination substitutability is therefore of interest with significant numbers of available near home destinations now competing for consumer attention. For example, the Australian participants listed over 100 destinations in their decision sets, even though the mean set size was only 3.8 destinations. Of relevance to destination substitutability is the concept of consumer based brand equity. Whereas brand equity for firms has traditionally been measured as a financial value of goodwill for the balance sheet (see for example www.interbrand.com), consumer based brand equity focuses on market perceptions. This is more appropriate for RTOs, for which a balance sheet value of the destination brand would be of little interest. Aaker (1991) conceptualised consumer based brand equity as comprising brand loyalty, brand awareness, perceived quality and brand associations. To date there has been little discussion reported on the applicability of the model for destinations, particularly in regard to loyalty. Repeat purchase behaviour was introduced in the marketing literature during the 1940s (Howard & Sheth, 1969). However, while a number of studies in other fields have identified correlations between customer retention and increased profits (see Aaker, 1996, p. 22), the topic of destination loyalty has attracted little research attention in the tourism literature (Grabler 1997, Oppermann 2000).

Brand loyalty is ultimately measured by repeat and referral custom. Given the increasing substitutability of near home destinations, the key advantages of brand loyalty for RTOs include lower marketing costs, increased travel trade leverage, and word of mouth referrals. One of the key goals in RTO marketing should be enhancing destination brand loyalty. Targeting the short break segment represents an opportunity to do so, given the level of trips indicated each year by participants and the preference for places previously visited. As shown in Table 1, 92% of Australian participants had previously visited their ToMA destination. A number of studies have shown that destination image can be enhanced through travel to a destination. For example, Milman and Pizam (1995) demonstrated how familiarity with a domestic USA destination, measured by previous visitation, led to a more positive image and increased likelihood of repeat visits. Due to the brief time involved in short breaks they tend to be more exciting, in comparison to a longer holiday where the chances of boredom would be more likely (Gratton, 1990). However, a number participants in both studies criticised service standards. The following were typical comments:

Service! Service! Service! (Australian participant # 105).

More efficient service within the café/restaurant industry. More efficient service generally (New Zealand participant # 87).

Despite so-called tertiary training service standards seemed to have declined (Australian participant # 246).

Better emphasis on service. Customer focus can be low in places where it should be considered of primary importance (New Zealand participant # 241).

In both settings there was also a view that the tourism industry was catering to the needs of overseas 'tourists' rather than domestic visitors:

Look after Aussies as well as Asians (Australian participant # 510).

Don't cater for the tourists so much and cater more for locals. Keep prices down a bit (New Zealand participant # 143).

Rotorua is too overly avaricious and mass produced. You don't feel welcomed and special there (New Zealand participant # 218).

There appears to be much emphasis on provision of high grade, upmarket accommodation which is I guess, essential to boost foreign tourist numbers and industry earnings. My preference is for more affordable types of accommodation such as tourist flats etc (New Zealand participant # 419).

Unfortunately information is heavily geared to Asian tourists (Australian participant # 372).

In both studies, it is evident there is a demand for value based packages that better cater to the domestic market:

Make the tourist attractions cheaper for New Zealand residents (New Zealand participant # 342).

A holiday that's affordable for the average wage earner (Australian participant # 152).

Affordable accommodation! (Australian participant # 184).

I would like to see more weekend "get-away" packages for families with accommodation/breakfast (maybe dinner) and tickets to attractions (given a choice for age appropriate activities) so there are no surprises, no add-ons (New Zealand participant # 503).

Better value for money - especially for NZ tourists (New Zealand participant # 35).

It is often difficult for New Zealanders to be able to afford to take sightseeing trips that are designed for the overseas tourist market. Is there anyway tourist operators could offer a discount for NZ families? (New Zealand participant # 135).

As previously indicated, none of the RTOs presented with the key results indicated an explicit targeting of the short break segment in marketing communications. This may account in part for a number of comments relating to a difficulty in accessing travel information:

With what's happening in the world I find it hard to believe there's not much advertising and deals to holiday with our country – it must be better to far better to have bums in beds at a reduced price than empty (Australian participant # 192).

We think out of Auckland destinations don't market themselves to Aucklanders as much as they should (New Zealand participant # 504).

Most websites are information poor. A phone call is usually required to extract information, especially about room-rates, on/off seasons etc. This is important to those of us who have kids and one income. Marketing seems to focus on yuppies....sensible strategy but the family market is still considerable (Australian participant # 381).

My personal opinion about NZ holiday destinations is that I believe that more information should be made more available to the public (New Zealand participant # 68).

Increase public awareness of short break possibilities (Australian participant # 491).

However, if the results represented the first data on the characteristics of domestic short breaks for the RTOs, there will clearly be a resultant lack of understanding of many issues in the consumer decision process. For example, what are the triggers for deciding a short break is needed? Is this a low-involvement decision process? Issues such as these present challenges for the timing of marketing communications:

Shorter breaks probably get decided a bit on the 'spur of the moment' (Australian participant 261).

The last few times we've gone away for a weekend, its been due to an ad placed in the newspaper travel section. Special deals appeal – particularly if they are noticed when we can both get away (Australian participant # 60).

Future solutions to enhancing destination loyalty may lie in the field of customer relationship management (CRM). The rationale for stimulating relationships with existing customers is that these will be more profitable over time than one-off sales transactions, since the cost of reaching a continuous stream of new customers will far outweigh the cost of keeping in touch with existing customers. Relationship marketing is an important area of research given the inherent advantages of repeat visitation and the limits to the extent that relationship marketing may be used by DMOs of destinations that host hundreds of thousands of visitors (Pike, 2004). In a special issue of destination marketing newsletter *Eclipse*, devoted to CRM for destinations, the editor found only one NTO that employed a specialist CRM senior executive. Nevertheless, examples of CRM initiatives by NTOs are being reported in the literature. In highlighting the limited degree of destination relationship marketing in practise, Fyall et al (2003) reported two case studies. The first, Project Stockholm, is an example of an introductory attempt to engender more loyalty towards a destination, albeit without loyalty-building tools. The project is a cooperative initiative by the Stockholm RTO, Scandic Hotels and SAS airlines, specifically targeting European weekend tourists. A benefit card was designed for the project, offering added value in the form of free local transport and discounts at shops and restaurants. The second was the Club Program developed to reward repeat visits to Barbados. The program boasted 1700 members who had visited the island at least 25 times. Rewards have included luncheons hosted by the Barbados Tourism Authority and unofficial ambassador status.

Relationship marketing is the attempt to establish a long term bond with the customer, which presents challenges for RTOs, the least of which is the difficulty in obtaining quality customer data from service providers over which the RTO has no direct control. One of the key problems for DMOs highlighted by Fyall, Callod and Edwards (2003, p. 654) was the expense of retaining single visitors in comparison to the predominant transactional marketing activities:

What thus appears sound in theory and operational in practise, particularly as a weapon to achieve sustainable competitive advantage in the marketplace, is likely to remain in its implementation infancy for destinations for some time.

Following relationship marketing researchers (see for example, Anton & Petouhoff 2001, Egan 2001, Fyall et al 2003, Grönroos 1994), it is suggested RTOs seeking to engage in relationship marketing should consider the following:

- The selection of customers who offer maximum yield. Selection criteria, which may prove problematic for an RTO due to data collection constraints, include frequency and volume of visits, spending patterns and probability of future visitation. Repeat visitation is the ultimate measure of a consumer's loyalty towards a destination. Accurately measuring this is currently beyond

the capacity of most regional visitor monitors, which tend to focus on capturing visitor origin and length of stay.

- Ensuring high quality service encounters. This requires the marketing concept to extend to the entire destination. As with service standards the RTO is reliant on the organisational cultures of the destination's many individual businesses. Initiatives include cooperative destination networks, visitor surveys, improving employee satisfaction, and a quality grading system such as Qualmark (see www.qualmark.co.nz). For example, almost 75 per cent of tourism suppliers at New Zealand's 2004 TRENZ travel exchange were Qualmark accredited (*Inside Tourism*, IT490, 18/3/04). Tourism grading schemes are a relatively recent development.
- Providing added value to selected customers. The RTO must stimulate cooperative efforts to monitor and provide sources of value. For example, during off season periods, communication could be made with previous domestic visitors offering bundled packages at an advertising cost saving to the destination and a price saving to the traveller.
- Developing a philosophy of nurturing long term mutually beneficial relationships. Clearly however, the benefits of the relationship for the destination must outweigh the costs.

5. Conclusion

Short breaks have emerged as a significant aspect of people's lives. Results of separate investigations in New Zealand and Australia indicated participants taking an average of three to four short breaks by car to near home destinations per year. Clearly this represents a significant marketing opportunity for RTOs. However, in a series of eight meetings, the results represented the first data on short breaks for the RTOs, none of which were explicitly targeting the domestic short break segment with their marketing communications. As to preferred destinations, results from the Australian study indicated a clear preference for destinations they had previously visited. Further, the mean number of destinations listed in participant's decision sets was four, even though the sheer number of available destinations within the maximum comfortable driving time of four hours ensures they are literally spoilt for choice. In the Australian case over 100 destinations were listed by participants. There are at least two important implications of this for RTOs. First, it is likely that destinations not listed in decision sets will have a lower likelihood of selection. The probability of selection may be reduced significantly if the traveller has not previously visited. Second, and following the previous point, if preferred destinations have been previously visited, this is an indication of repeat visitation and potential destination loyalty.

Therefore it has been suggested RTOs may be missing a valuable opportunity to enhance destination loyalty, in the face of intense competition, by not explicitly tar-

getting the domestic short break segment. However, effectively targeting this segment may also be problematic, in terms of reaching these consumers in a mass market by cutting through to gain their attention at the time when they are in short break decision mode. This is further complicated by the suggestion that short breaks may be a low involvement decision, in some cases even made on the spur of the moment. What is required in the future is the development of more effective means for RTOs to engage in ongoing meaningful dialogue with short break customers. In this way CRM should be mutually beneficial for the traveller and the tourism industry. While more research is required to guide RTOs, it should be noted that the lack of effective CRM is also problematic for the wider business sector. *Eclipse* cited the editor of CRM web site www.crmguru.com:

Third grade – that's about where the CRM industry is today. Lots of software sold, some implemented, but not much to show for it. Do customers think relationships are improving? Are sales and profits increasing? Not very often and not by very much, based on various industry studies on CRM success rates.

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